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FM AMEMBASSY LJUBLJANA
TO RUEHC/SECSTATE WASHDC PRIORITY 4633
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RUEHBS/USEU BRUSSELS PRIORITY
RUEHRC/DEPT OF AGRICULTURE WASHDC PRIORITY
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RUEATRS/DEPT OF TREASURY WASHDC PRIORITY
RUEAIIA/CIA WASHDC PRIORITY
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DEPT FOR EUR/NCE, EUR/ERA, EB/CBA, EB/TPP/ABT
DEPT PLEASE PASS TO USTR/ERRION
AMEMBASSY TALLINN FOR KELLY ADAMS-SMITH
AMEMBASSY VIENNA PLEASE PASS TO FAS
FAS PLEASE PASS TO OA/BEV SIMMONS AND ELIZABETH JONES
COMMERCE FOR ITA/SAVICH
TREASURY FOR VIMAL ATUKORALA

E.O. 12958: N/A

TAGS: [EAGR](#) [ECON](#) [ETRD](#) [SI](#)

SUBJECT: SLOVENIA: VISIT OF MADELYN SPIRNAK HELPS MOVE
COEXISTENCE DEBATE FORWARD

REF: A. 05 LJUBLJANA 0106

[1](#)B. 05 LJUBLJANA 0724

[1](#)C. LJUBLJANA 0058

[1](#)1. (U) SUMMARY: Senior Advisor for Biotechnology Madelyn Spirnak's 22-23 February visit was a significant step in moving forward Slovenia's ongoing ag-biotech coexistence debate. Spirnak met with members of the Parliamentary Agriculture Council, Senior Agriculture Ministry officials and staff who are currently drafting coexistence legislation, NGO representatives, senior executives from Slovenia's largest poultry and corn producer, leaders of the Slovene Farmer's Union, and biotech specialists from the University of Ljubljana. During her visit, Spirnak was also interviewed by one of the largest Slovene daily newspapers and a weekly lifestyle magazine. The visit was an excellent opportunity for Spirnak to see first hand the political challenges of introducing biotech crops in Slovenia, but also to hear that the government is taking a pragmatic approach to developing its coexistence policies. Spirnak also heard that, as with other EU member states, the level of understanding of GMOs and the potential benefits they can bring are not well understood by the average Slovene citizen. Post believes that this visit contributed significantly to our overall strategy of encouraging Slovenia to adopt a science-based approach to coexistence and to enable a full range of choices for the Slovene farmer and consumer. End Summary.

Slovenian Biotech Challenges

[1](#)2. (U) Similar to other countries in the European Union, there is a general perception in Slovenia that GMOs can have harmful effects on the environment and those who consume them. Nearly all contacts met during Spirnak's visit said the public has an often visceral and uninformed reaction to biased media reports designed to inflame fears. The most significant roadblock to achieving a balanced policy on

coexistence and, certainly, on ultimately raising GMO crops, is the strongly negative view held by the general public.

¶3. (U) As is typically the case with ag biotech in other countries, the level of understanding in Slovenia about potential risks and benefits is very low. Surveys performed by the Slovenian Agricultural Institute have shown in the past that a majority of Slovenes do not understand what genetic characteristics are and believe that the food that they consume does not contain genes at all. Fearmongering in the press by the organic farming community and NGOs only serve to further confuse the public. Nearly all of Spirnak's counterparts during her visit noted that the most significant challenge to ag biotech in Slovenia will be educating the Slovene public. In addition, the director of the Slovene Farmer's Union told Spirnak that farmers also need to be educated about the real benefits that ag biotech can bring to their businesses. He noted that while Slovene farmers know that ag-biotech exists, there is an opportunity to reach out, particularly to larger agribusinesses. (Note: In ref C, in an effort to support this outreach, Post requested biotech funds from EB/TPP/ABT to support publication and distribution of Slovene language ag biotech educational materials. End Note.)

¶4. (U) The relatively small size of Slovenian farms (on average, 5-10 hectares) is another challenge to ag-biotech and coexistence that was raised frequently during Spirnak's visit. Many of Post's more skeptical contacts said they felt coexistence of biotech crops along with conventional and organic was simply not feasible with such small plots. In Slovenia, only a handful of farms are larger than 100 hectares and most are less than 25. Opponents of biotechnology also argued that any cost savings or efficiency benefits from using ag biotech would accrue to such a small

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percentage of the farming community that it would not be worthwhile. (Note: Farmer's Union members told Spirnak, however, that the large farms that do exist in Slovenia would likely be interested in biotech solutions. End note.)

Preference For Organic

¶5. (U) Slovenia has joined an informal coalition with Austria and Italy to grow only organic crops in certain areas of the difficult terrain of the sub-Alpine region near the shared borders of the three countries. Contacts at the Agriculture Ministry and elsewhere have told Post that this agreement bans growing of ag biotech crops in the region. We understand that there is a long-term plan to increase organic production in Slovenia from its current level of approximately 3 percent of total farming to 10 percent. Moreover, ag interlocutors tell us that Slovenia has negotiated a rural development plan with the EU to support "traditional" farming, including organic techniques. This plan, which provides subsidies to farmers who follow all of its rules and guidelines, prohibits the use of GMOs. The program is widespread, with tens of thousands of Slovene farmers (including the head of the Farmer's Union) taking part. NGOs and other anti-biotech groups point to this and allege that GMOs have no place in Slovenia.

¶6. (U) Major Slovene food producers, however, have told Post that while consumers might express a theoretical preference for organic grown crops, it is unlikely that the share of organic consumption will grow significantly beyond its current level due to the much higher cost of these products. Moreover, the larger farms in Slovenia which would potentially benefit from the introduction of biotech crops are a significant distance from the "organic region."

The Pragmatic View

¶7. (U) In spite of the challenges of creating an effective coexistence policy framework and introducing biotech crops, high-level contacts at the Ministry of Agriculture say that enabling choice and adopting EU legislation are the main goals in the drafting of coexistence legislation. Franc But, State Secretary (Deputy Minister) at the Ministry of Agriculture, repeating a mantra he has said in both public and private fora (refs A and B), told Spirnak that he was committed to ensuring that EU rules on coexistence are adopted and that this included ensuring farmers and consumers have the free right to choose which kinds of food to grow and consume. While But is ahead of the public opinion curve on this matter, he is an important supporter of a science-based approach to coexistence and understands the needs and demands of the farming community as well as consumers.

¶8. (U) Most sensitive to the discussion of ag biotech are Slovene food producers. As with the Agriculture Ministry, large producers seem to be taking a pragmatic view of biotechnology and recognize its advantages as well as its inevitability. Nada Krajnc, Director of Marketing for Perutnina Ptuj, Slovenia's largest poultry and corn producer (and supplier of chicken nuggets to McDonald's), told Spirnak that Perutnina will adopt ag biotech as a feed source "when it makes business sense." Referring to the dramatic, negative impact on sales in Slovenia of a recent, minor incident of unintended presence of GMOs in feed used in production of meat products in Croatia, Krajnc noted that it would be necessary to introduce GMO products very carefully and with a concerted effort to educate consumers by both private business and the GOS. In addition, Krajnc also pointed out that it would be critical for this educational process to start in the near future as acquiring non-GM soya feed for Perutnina chickens was becoming very difficult and

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expensive. As an executive at a large agricultural concern, Krajnc understands the financial benefits ag biotech can bring and could prove to be a key advocate in encouraging a balanced coexistence policy.

Process Going Forward

¶9. (U) Spirnak's visit helped Post to keep ag coexistence on the front burner of the GOS's agenda. Ag State Secretary But and others have said that efforts such as the October 2005 coexistence conference (ref B) and visits by senior USG officials have helped to move policy discussion forward. During Spirnak's visit we learned that the Agriculture Ministry is "nearly finished" with a first draft of coexistence legislation. Once this document is finished, it will be sent through the interagency process where other key contributors (in particular, the Ministries of Environment and Health) will have an opportunity to suggest changes. Post understands that at this point, there will also be opportunity for public and interest group commentary. The Agriculture Ministry tells us that it expects the legislation to be sent to Parliament by the fall of 2006.

Comment

¶10. (U) Despite the challenges that face the future of ag biotech in Slovenia, senior government officials and businesspeople appear to be sticking to a pragmatic approach to the technology. If the attitude of "GMOs are unavoidable, we have to figure out a way to deal with them" is less than an open-armed greeting, on balance, it seems more welcoming than what we hear from Slovenia's Austrian, Croatian, and Italian neighbors. Senior Slovene ag contacts tell us that our coexistence conference in October 2005 (ref B) was a critical step in kicking off the debate within Slovenia and

helped move the legislative process forward. Spirnak's visit was another significant step in keeping the debate alive. Her visit enabled us to discuss this matter with all of the key players in the GOS and agriculture industry. While we do not expect Slovenia to adopt GMOs without some serious and contentious debate, Spirnak's visit was a key part of our overall strategy to encourage Slovenia to develop a science-based set of rules that allows farmers and consumers to choose. End comment.

11. (U) Madelyn Spirnak has cleared this message.
ROBERTSON